



June 17, 2003

The Honorable William M. Thomas
Chairman, Committee on Ways and Means
U.S. House of Representatives
1102 Longworth H.O.B.
Washington, DC 20515

Dear Chairman Thomas:

On behalf of the Kidney Care Partners (KCP), a coalition supporting improvements in the quality of life of individuals with End Stage Renal Disease (ESRD), I am writing to share our views regarding the "Medicare Prescription Drug and Modernization Act of 2003." I am pleased to express our support for provisions you have advanced to promote access to quality care for patients fighting the deadly effects of kidney disease.

We are grateful that you have included MedPAC's recommendation for a 1.6 percent increase in the composite rate for 2004, recognizing that Medicare today reimburses less than the cost of a dialysis treatment. In addition, we support your decision to exclude ESRD drugs from the competitive bidding provisions of the bill.

As you know, Medicare's ESRD program continues to play a vital role in ensuring access to high quality, lifesaving therapy for patients with kidney failure. Better care for patients means better quality of life, improved rehabilitation, fewer medications, and fewer hospitalizations. To maintain the quality of care and ensure dialysis clinics are accessible to all patients in need, providers must be able to adjust for inflation, changes in technology and other input costs, such as labor.

To that end, we continue to support the establishment of an annual update framework for the ESRD program, and we hope that you would support such language as the bill advances through the legislative process. The ESRD program's prospective payment system is the only one within Medicare that lacks an update framework. Enactment of such a framework will allow providers to keep pace with the costs of providing care to this unique population of Medicare beneficiaries. Most importantly, an update framework will enable dialysis providers to continue to provide broad geographic access to high quality patient care and improved patient outcomes for this vulnerable population of Medicare beneficiaries.

We believe you share our ultimate objective of reforming Medicare to ensure access to quality care through appropriate Medicare ESRD reimbursement. We look forward to working with you on this very important issue for the 300,000 Medicare beneficiaries who suffer from ESRD.

Sincerely,

A handwritten signature in black ink, appearing to read "Raymond M. Hakim".

Raymond M. Hakim, MD
Chairman of the Board
Kidney Care Partners